

USAID/Somalia

Annual Report

FY 2005

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Somalia

Performance:

Since the overthrow of Siad Barre in 1991, Somalia has been divided into a myriad of different fiefdoms controlled by rival warlords, who occasionally clash for territory. There have been numerous failed attempts at reconciliation; however the most recent peace process led by the Intergovernmental Authority on Development (IGAD) in Kenya has achieved several major breakthroughs. A president, Abdullahi Yusuf Ahmed, was elected in October 2004 in Kenya by members of the transitional parliament. A prime minister, Ali Mohamed Ghedi, was appointed in November and a cabinet was being formed in December. The new transitional government is being urged to relocate from Kenya to Somalia as quickly as possible. Its biggest challenge in Somalia is establishing security, legitimacy and acceptance. The reconciliation process focused primarily on issues of state-building and power-sharing without addressing any of the key conflict and reconciliation issues at the root of the Somali crisis. For the country to move forward towards durable peace, reconciliation issues must now be addressed.

There are a number of stakeholders with a vested interest in promoting continued insecurity and state collapse in Somalia, including those who seek to exploit Somalia for criminal and terrorist activities. The threat of terrorism is central to international interests for a more stable and secure Somalia, as well as a more stable and secure Horn of Africa region. Of particular concern is Somalia's potential role as a safe haven, transshipment site, base of operations, and/or recruitment center for terrorism. Islamic movements and groups have unquestionably grown in influence since 1990, and today are a major feature of the political landscape, although they are not unified in agenda, worldview, or sources of support. Close understanding of the variations among rival Islamic movements is a crucial ingredient for effective and appropriate external policy.

While Somali society has adapted to state collapse, devising informal and formal systems that allow basic security and economic activity, the country remains extremely poor and underdeveloped. Export earnings continue to drop, following a livestock ban imposed in September 2000 by countries in the Arabian Peninsula in response to inadequate animal health control systems and certification procedures. This has particularly effected the nomadic population that makes up 44 percent of the Somali population. Remittances from more than one million Somalis living abroad continue to mitigate the effects of poverty but the Diaspora is finding it increasingly difficult to send money home following the closure of Al Barakat, formerly Somalia's largest remittance company. While Somalia's dynamic trade and transportation sectors have helped to keep the nation's economy afloat during years of crisis and civil war, the absence of effective regulation or systematic oversight, either by Somalia or the countries with which it trades, has generated diverse opportunities for trafficking in arms and contraband, and has contributed to severe environmental devastation.

Maintaining livelihoods and a minimum level of health is a constant challenge to the population of Somalia. Infant and child mortality rates are among the highest in the world. Diarrhoeal disease-related dehydration, respiratory infections and malaria account for over half of all child deaths. Malnutrition is chronic and cholera is endemic. Somalia also reports one of the highest maternal mortality rates in the world, caused by poor antenatal, delivery and postnatal care and limited obstetric facilities.

An alarming humanitarian crisis is developing, triggered by the cumulative effects of successive poor rains, the deteriorating food security situation and civil conflict. Some 1.2 million vulnerable Somalis in both agricultural and pastoral areas currently require humanitarian assistance. Cyclical drought affecting the northern regions of Sool and Sanag is the worst experienced in the area in over 30 years and is spreading to include the central regions of Mudug and Galgaduud. Strategic crop growing areas of Middle and Lower Shabelle, Bakool, Gedo and Middle and Lower Juba regions have also been adversely

affected by low and erratic rainfall. This year's poor harvests are 25 percent below the postwar average for agricultural production and it is estimated that this will lead to a cereal deficit of at least 70,000 MT after accounting for anticipated commercial imports and existing pipelines. Cumulative animal losses, declining incomes from livestock products and the loss of purchasing power that pastoralists again face this year, has had a devastating effect.

Severe environmental degradation resulting from the combined effects of poverty and post-war breakdown of natural resource management continues to dramatically undermine food security. While there are many cases of environmental degradation (e.g., fishing exploitation, water contamination, etc.), charcoal production (especially for export) is of particular concern due to the widespread deforestation of the main livestock fodder tree.

It is estimated that only about 20 percent of children of primary-school age actually go to school in Somalia, arguably the lowest enrollment rate in the world. In Mogadishu, many schools, colleges, universities and even government buildings, have become camps for the people who fled to the capital seeking sanctuary from fighting elsewhere.

U.S. national interests are clear: stability and security will not be achieved in the greater Horn of Africa region without putting an end to conflict and Somali support for terrorism. The paramount goal of U.S. policy is to encourage the return of Somalia to the international community as a legitimate and reliable member. The U.S. and donor partners provide an alternative to extremism in Somalia through humanitarian assistance and support for long-term economic, social and democratic development, but contributions are modest compared to overwhelming needs.

Donor Relations: Following a donors meeting in Stockholm in October 2004, a Joint Coordination and Monitoring Committee was established, led by the UN Political Office for Somalia. USAID together with the U.S. Embassy, participate in this group that is meeting with key members of the newly transitional federal government institutions on a weekly basis as the new government prepares to move to Mogadishu. Aid coordination continues to be led by the Somalia Aid Coordination Body (SACB), a dynamic and unique group made up of donors, U.N. agencies, and non-governmental organizations that provides a forum for sharing lessons learned, coordinating on complimentary activities, and developing a common framework for assistance. The SACB has repeatedly provided space for the international aid community to come together to address the copious challenges of working with the numerous regional authorities. Common strategies have been developed, in collaboration with local authorities where they exist, for health and nutrition, HIV/AIDS, civil society, agriculture, and water and sanitation. Frameworks have been established for common strategies in education, livestock and governance.

Challenges: The changing political landscape in Somalia poses dangers and presents opportunities to the international community. Left unaddressed, trends in Islamic radicalism, public attitudes, transnational criminality and weapons smuggling in Somalia will almost certainly culminate in more terrorist attacks on Western targets both inside Somalia and in neighboring states. Yet the more positive trends in Somalia -- the impressive entrepreneurship of the businessmen, the rising community and commercial interests in revived stability and rule of law, the establishment of local and regional polities, and the efforts to establish a transitional federal government -- all suggest the possibility of an alternative future for Somalia which would improve the security of both the Somali people and the international community.

In addition to security and reconciliation, another major challenge for Somalia will be relations between the new transitional government and Somaliland, a self-declared independent state. It has enjoyed impressive consolidation of democracy and constitutional rule. Somaliland has already made a transition to multi-party democracy; held local and presidential elections; resolved a disputed, extremely close presidential election without violence; and executed a peaceful, constitutional transfer of power upon the death of President Egal in 2002. At the same time, Somaliland faces worrisome challenges: internal political divisions; numerous assassinations of foreign aid workers over the past year (apparently conducted by Islamic radical groups); a military stand-off with Puntland over control of parts of Sool region; and the formation of the Transitional Federal Government which has created deep uncertainty

over Somaliland's future.

P.L. 480 Title II Program

PL 480 food resources make up the bulk of USAID's program in Somalia and contribute to the mission's objective for improved infrastructure for productive services as well as the mission's objective to target food aid at vulnerable groups. The majority of food assistance is targeted at the drought-affected population, where an estimated 1.2 million people are food insecure due to several consecutive years of drought and failed harvests, as well as continued conflict and displacement. CARE and WFP are our Title II implementing partners.

Key Achievements: The FY 2004 Somalia program recorded important achievements, despite an increasingly insecure environment that prohibited access to much of the country.

1) **Strengthened Civil Society:** Over the past four years, an estimated 88,000 people in targeted communities have benefited from support to civil society groups through improved availability of maternal health and livestock services, an increase in the average household incomes, and improved access to education. The capacity of 33 civil society organizations was strengthened to enable them to be more effective implementers of relief and development activities. The civil society groups show steady improvement in their institutional capacity. Training has led to marked improvements in governance, management, technical competence, and especially finance. Cooperative, productive linkages between civil society organizations, communities and civic authorities are established. Civil authorities have been more closely involved in monitoring sub-grant project activities which has given them a greater understanding and commitment towards community rehabilitation and development activities.

2) **Productive Livelihoods:** This objective has focused on basic education, the rehabilitation of urban water systems; and alternative and renewable energy sources. Scholarships were provided to 20 girls from three different regions of Somaliland to attend the teacher education college. Community mobilization was conducted in the twenty communities from where the girls that received scholarships originated, with the focus of encouraging parents to send the girl-child to school. A study of alternate water sources for Hargeisa city was carried out and will be finalized in March 2005. An extraordinary population boom has put the existing well field in grave danger of collapse. The study will provide the Somaliland authorities with viable options for future water supply. USAID promoted access to alternative and renewable energy technologies and safe, efficient use of conventional energy sources in northern Somalia. The capacity and awareness of businesses, local authorities and the general public to trade in, install and maintain renewable energy systems were strengthened. Sixty-one businesses diversified into renewable energy alongside their core business.

3) **Humanitarian Assistance:** Emergency vaccinations were provided to 37,104 drought-affected children under five years of age in central and southern Somalia and other emerging areas of concern to break the transmission of communicable childhood diseases. USAID contributed to a multi-agency cholera preparedness and response program that led to a successful response that kept case fatality rates below one percent. A total of 30,000 insecticide-treated bed nets were provided to pregnant women and to children at subsidized prices to combat malaria. Nutritional surveillance was strengthened through ongoing training and support at 100 health facilities throughout Somalia. Every month 10,000 malnourished children were provided with fortified supplementary food. USAID supported the expansion of the health sector reform in 16 of the health centres in Somaliland through capacity building, technical support and support to policy development, which contributes to a stronger Somali-based health infrastructure. Through the rehabilitation water supply systems, USAID provided increased access to potable water to 406 thousand people in 93 rural communities in central and southern Somalia.

Gender: Attention to gender is key to development work in Somalia, particularly given the new risks and responsibilities that women have been forced to bear in the aftermath of the civil war. USAID has supported research on gender issues as a major pillar in prompting new thinking about the future of Somali society. USAID addresses gender by increasing women's participation in civil society, promoting women's legal advocacy, increasing primary school retention for girls and involving mothers in community

education committees and increasing the number of female teachers. The participation of women in USAID's economic diversification program is strong, and the most active business partner in the program is composed of three women from the Somali Diaspora who have returned to live in Somaliland. Humanitarian assistance supports maternal and child health activities.

USAID Website:www.usaid.gov

Results Framework

649-001 Improved foundation for food crop production in target areas

649-002 Critical needs met for targeted vulnerable groups

649-003 Increased community capacity to meet its own needs

649-004 Strengthened Capacity for Local Governance and Conflict Mitigation

SO Level Indicator(s):

4.0. Number of policies changed in accordance with CSOs advocacy agenda

Number of policies changed in accordance with CSOs advocacy agenda

IR 4.2 Increased Partnerships among Private sector, Public sector and Civil Society

IR 4.3 Enhanced Institutional Foundation for rule of Law

IR.4.1 Broader More effective Participation of Civil society Organizations in Local Governance

649-005 Increased Opportunities for Productive Livelihoods

SO Level Indicator(s):

Number of businesses started or expanded as a result of having new or improved access to energy sources

IR 5.1 Improved Infrastructure and Services for Productive Enterprises

IR 5.2 Economic Targets of Opportunity Exploited

IR 5.3 Increased Productive Areas Where UXOs Are No Longer a Threat

649-006 Critical Needs Met for Vulnerable Groups

SO Level Indicator(s):

Percent of beneficiaries with access to basic health care.

IR 6.1 Improved Quality and Availability of Health Care Services

IR 6.2 Increased access to Safe Water and Sanitation

IR 6.3 Effective Targeting and Delivery of Food Aid to Vulnerable Groups

IR 6.4 Improved Capacity for Disaster Preparedness and Response